

The background of the slide features a grayscale image of a row of classical columns, receding into the distance. The columns are fluted and have papyrus capitals. The image is semi-transparent, allowing the text to be overlaid clearly.

3rd Quarter 2015
Financial Results Presentation

November 4, 2015

STIFEL

Disclaimer

Forward-Looking Statements

This presentation may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that involve significant risks, assumptions, and uncertainties, including statements relating to the market opportunity and future business prospects of Stifel Financial Corp., as well as Stifel, Nicolaus & Company, Incorporated and their subsidiaries (collectively, “SF” or the “Company”). These statements can be identified by the use of the words “may,” “will,” “should,” “could,” “would,” “plan,” “potential,” “estimate,” “project,” “believe,” “intend,” “anticipate,” “expect,” and similar expressions. In particular, these statements may refer to our goals, intentions, and expectations, our business plans and growth strategies, our ability to integrate and manage our acquired businesses, estimates of our risks and future costs and benefits, and forecasted demographic and economic trends relating to our industry.

You should not place undue reliance on any forward-looking statements, which speak only as of the date they were made. We will not update these forward-looking statements, even though our situation may change in the future, unless we are obligated to do so under federal securities laws.

Actual results may differ materially and reported results should not be considered as an indication of future performance. Factors that could cause actual results to differ are included in the Company’s annual and quarterly reports and from time to time in other reports filed by the Company with the Securities and Exchange Commission and include, among other things, changes in general economic and business conditions, actions of competitors, regulatory and legal actions, changes in legislation, and technology changes.

Use of Non-GAAP Financial Measures

The Company utilized non-GAAP calculations of presented net revenues, compensation and benefits, non-compensation operating expenses, income before income taxes, provision for income taxes, net income, compensation and non-compensation operating expense ratios, pre-tax margin and diluted earnings per share as an additional measure to aid in understanding and analyzing the Company’s financial results for the three and nine months ended September 30, 2015. Specifically, the Company believes that the non-GAAP measures provide useful information by excluding certain items that may not be indicative of the Company’s operating results and business outlook. The Company believes that these non-GAAP measures will allow for a better evaluation of the operating performance of the business and facilitate a meaningful comparison of the Company’s results in the current period to those in prior periods and future periods. Reference to these non-GAAP measures should not be considered as a substitute for results that are presented in a manner consistent with GAAP. These non-GAAP measures are provided to enhance investors’ overall understanding of the Company’s financial performance.

Chairman's Comments

"A challenging market environment contributed to a generally slow quarter for investment banking services and fixed income trading, which negatively impacted our results. Our recent acquisitions mitigated the revenue decline in our legacy businesses and also added to our operating expenses. As a result, compared to the 2nd quarter of 2015, revenues declined by \$6.1 million while non-compensation operating expenses increased \$13.0 million, resulting in a decline in pre-tax operating margin from 15.5% to 12.2%.

In the quarter, Stifel continued to build a premier balanced wealth management and institutional services company. Our operating model provides us tremendous leverage to invest in the future while at the same time providing shareholders a strong return. We are well positioned to take advantage of opportunities as they arrive and offer our clients excellent advice and services.

We expect the Barclays transaction, announced on June 8, 2015, to close on December 4, 2015. We are excited to welcome these highly talented associates to Stifel."

Market Overview

	Market Valuations		Rates	Volatility / Volumes			Underwriting Volumes and M&A				
	S&P 500	Dow	U.S. 10yr Yield	VIX	Equity ADV	Corporate Bond ADV	U.S. ECM (\$)	U.S. DCM (\$)	Municipal Bond DCM (\$)	U.S. Announced M&A (\$)	U.S. Completed M&A (\$)
2015 Q3	1,920	16,285	2.04%	24.5	7,321	20,294	40,343	494,297	86,625	680,609	515,494
2015 Q2	2,063	17,620	2.35%	18.2	6,352	22,215	79,223	649,369	111,153	587,666	351,261
2014 Q3	1,972	17,043	2.49%	13.0	5,678	19,329	82,231	493,957	75,969	445,484	445,484
3Q/2Q Δ	-7%	-8%	-32 bps	34%	15%	-9%	-49%	-24%	-22%	16%	47%
3Q/3Q Δ	-3%	-4%	-45 bps	89%	29%	5%	-51%	0%	14%	53%	16%

Net Flows - Mutual Funds + ETFs (\$ millions)							
	Active Domestic	Passive Domestic	Total Domestic	Active International	Passive International	Total International	Cumulative Total
2015 Q3	(41,079)	9,130	(31,949)	3,244	28,981	32,226	277
2015 Q2	(45,013)	17,153	(27,860)	24,544	63,455	87,998	60,138
2014 Q3	(35,668)	27,592	(8,076)	13,707	22,902	36,608	28,532



Financial Results

Stifel Financial Corp. Results

Three months ended September 30, 2015

	Three Months Ended September 30, 2015			Three Months Ended			
	Non-GAAP	Adjustments ⁽¹⁾	GAAP	9/30/14 ⁽²⁾	% Change	6/30/15 ⁽²⁾	% Change
<i>(\$ in thousands, except per share amounts)</i>							
Total revenues	\$ 601,371	\$ -	\$ 601,371	\$ 536,243	12.1%	\$ 607,850	(1.1%)
Interest expense	9,764	32	9,796	11,562	(15.6%)	10,099	(3.3%)
Net revenues	591,607	(32)	591,575	524,681	12.8%	597,751	(1.0%)
Compensation and benefits	372,023	32,182	404,205	324,193	14.8%	370,357	0.4%
Non-comp operating expenses	147,632	17,390	165,022	122,611	20.4%	134,599	9.7%
Total non-interest expenses	519,655	49,572	569,227	446,804	16.3%	504,956	2.9%
Income before income taxes	71,952	(49,604)	22,348	77,877	(7.6%)	92,795	(22.5%)
Provision for income taxes	24,247	(19,078)	5,169	29,369	(17.4%)	37,704	(35.7%)
Net income	\$ 47,705	\$ (30,526)	\$ 17,179	\$ 48,508	(1.7%)	\$ 55,091	(13.4%)
Earnings per diluted common share	\$ 0.60	\$ (0.38)	\$ 0.22	\$ 0.64	(6.3%)	\$ 0.71	(15.5%)
<i>Weighted average number of shares outstanding:</i>							
Diluted	79,759			76,681	4.0%	77,856	2.4%
<i>Ratios to net revenues :</i>							
Compensation and benefits	62.9%		68.3%	61.8%		62.0%	
Non-comp operating expenses	24.9%		27.9%	23.4%		22.5%	
Income before income taxes	12.2%		3.8%	14.8%		15.5%	



(1) Adjustments consist primarily of acquisition related expenses, which management believes are duplicative and will be eliminated, stock-based compensation and other expenses which in managements view are not representative of ongoing business.

(2) Results presented for the three months ended September 30, 2014 and June 30, 2015 are non-GAAP.

Non-GAAP Legacy vs. New Businesses - Summary

New Businesses Contributed \$36.7 million to Total Net Revenues in 3Q15 vs. 2Q15

\$'s in 000's	Total			Q3'15 vs	Q3'15 vs	Legacy Business			Q3'15 vs	Q3'15 vs	New Businesses			Q3'15 vs	Q3'15 vs
	Q3 2015	Q2 2015	Q3 2014	Q2'15	Q3'14	Q3 2015	Q2 2015	Q3 2014	Q2'15	Q3'14	Q3 2015	Q2 2015	Q3 2014	Q2'15	Q3'14
Total Net Revenues	<u>591,607</u>	<u>597,751</u>	<u>524,681</u>	-1%	13%	<u>503,999</u>	<u>546,841</u>	<u>519,295</u>	-8%	-3%	<u>87,608</u>	<u>50,910</u>	<u>5,386</u>	72%	1527%
Total Compensation and Benefits	<u>372,023</u>	<u>370,357</u>	<u>324,193</u>	0%	15%	<u>315,736</u>	<u>339,505</u>	<u>320,786</u>	-7%	-2%	<u>56,287</u>	<u>30,852</u>	<u>3,407</u>	82%	1552%
Total Non-Comp Operating Expenses	<u>147,632</u>	<u>134,599</u>	<u>122,611</u>	10%	20%	<u>127,933</u>	<u>124,203</u>	<u>119,407</u>	3%	7%	<u>19,699</u>	<u>10,396</u>	<u>3,204</u>	89%	515%



Note: New Businesses include Oriel Securities, Sterne Agee, Merchant Capital, new Private Client branches, and 1919 Investment Counsel.

Noteworthy Items

September 30, 2015

- Non-GAAP net revenues decreased \$6.1 million from June 30, 2015
 - Challenging market environment: Legacy business down 8% (\$42.8 million)
 - New Businesses added \$36.7 million
- Additional net revenue items
 - Net revenues include Stifel Bank \$14.7 million gain on sale of Acacia loans.
 - Net revenues include a mark-to-market loss on an investment of \$7.4 million
- Non-compensation operating expenses
 - New business: \$9.3 million more than prior quarter
 - New GWM business added \$5.1 million, primarily related to Sterne Agee
 - New FICM business added \$4.2 million, primarily related to Sterne Agee
 - Legacy business: \$3.8 million more than the prior quarter
 - Building infrastructure for growth (IT, Compliance, Enterprise Risk Management, Audit, and Operations)
 - Stifel Bank increased \$2.1 million due to provision for loan losses
- Taxes
 - FIN 48 adjustment: \$4.1 million
- Share repurchase
 - Opportunistically repurchased 1.8 million shares at an average price of \$44.66 per share (1.5 million repurchased during the quarter)
 - Authorized an incremental 5.0 million shares for repurchase bringing the total authorized buyback up to 6.8 million shares

Q3 2015 Non-GAAP Results vs. Estimates

	Q1 2015 Results	Q2 2015 Results	Q3 2015 Results	Q3 2015 Analyst Mean	% Δ	\$ Δ	EPS
Revenues							
Commissions	\$ 180.3	\$ 183.8	\$ 194.1	\$ 196.8	(1.4%)	\$ (2.7)	
Principal transactions	100.7	85.5	95.6	105.1	(9.0%)	(9.5)	
<i>Brokerage revenues</i>	<i>281.0</i>	<i>269.3</i>	<i>289.7</i>	<i>301.9</i>	<i>(4.0%)</i>	<i>(12.2)</i>	
Investment banking	124.6	161.0	118.8	131.0	(9.3%)	(12.2)	
Asset management and service fees	113.9	119.9	130.6	119.3	9.5%	11.3	
Net Interest	32.4	33.8	33.6	35.2	(4.5%)	(1.6)	
Other income	11.8	13.7	18.9	16.2	16.7%	2.7	
Net revenues	563.7	597.7	591.6	603.6	(2.0%)	(12.0)	
Non-interest expenses							
Compensation and benefits	352.3	370.4	372.0	373.8	(0.5%)	(1.8)	
Income before non-comp op ex	211.4	227.3	219.6	229.8	(4.4%)	(10.2)	\$ (0.08)
Non-compensation operating expenses	130.6	134.6	147.6	141.6	4.2%	6.0	\$ (0.05)
Income before income taxes	80.8	92.7	72.0	88.2	(18.4%)	(16.2)	\$ (0.13)
Provisions for income taxes	30.9	37.7	24.3	34.0	(28.5%)	(9.7)	
<i>Tax Rate</i>	<i>38.2%</i>	<i>40.7%</i>	<i>33.8%</i>	<i>38.5%</i>	<i>(12.4%)</i>	<i>-4.8%</i>	<i>\$ 0.04</i>
Net Income	\$ 49.9	\$ 55.0	\$ 47.7	\$ 54.2	(12.0%)	\$ (6.5)	\$ (0.09)
Diluted EPS							
EPS	\$ 0.65	\$ 0.71	\$ 0.60	\$ 0.69		\$ (0.09)	
Weighted average shares outstanding							
Diluted EPS	77.4	77.9	79.8	79.1		0.7	
Compensation Ratio	62.5%	62.0%	62.9%	61.9%	(1.0%)		
Operating net income margin	8.9%	9.2%	8.1%	9.0%	0.9%		
Income before income taxes	14.3%	15.5%	12.2%	14.6%	2.4%		
Non-Compensation Ratio	23.2%	22.5%	24.9%	23.5%	(1.4%)		
Effective tax rate	38.2%	40.7%	33.8%	38.5%	4.7%		

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Note: In millions, except diluted EPS and share data.

Stifel Financial Corp. Results

Nine months ended September 30, 2015

(\$ in thousands, except per share amounts)	Nine Months Ended September 30, 2015			Nine Months Ended	
	Non-GAAP	Adjustments ⁽¹⁾	GAAP	9/30 ⁽²⁾ /14	% Change
Total revenues	\$ 1,783,221	\$ -	\$ 1,783,221	\$ 1,664,132	7.2%
Interest expense	30,170	2,743	32,913	29,552	2.1%
Net revenues	1,753,051	(2,743)	1,750,308	1,634,580	7.2%
Compensation and benefits	1,094,664	75,232	1,169,896	1,022,652	7.0%
Non-comp operating expenses	412,833	37,094	449,927	368,350	12.1%
Total non-interest expenses	1,507,497	112,326	1,619,823	1,391,002	8.4%
Income before income taxes	245,554	(115,069)	130,485	243,578	0.8%
Provision for income taxes	92,820	(43,499)	49,321	94,343	(1.6%)
Net income	\$ 152,734	\$ (71,570)	\$ 81,164	\$ 149,235	2.3%
Earnings per diluted common share	\$ 1.95	\$ (0.91)	\$ 1.04	\$ 1.96	(0.5%)
<i>Weighted average number of shares outstanding:</i>					
Diluted	78,326			76,011	3.0%
<i>Ratios to net revenues:</i>					
Compensation and benefits	62.4%		66.8%	62.6%	
Non-comp operating expenses	23.5%		25.7%	22.5%	
Income before income taxes	14.1%		7.5%	14.9%	

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- (1) Adjustments consist primarily of acquisition related expenses, which management believes are duplicative and will be eliminated, stock-based compensation and other expenses which in managements view are not representative of ongoing business.
- (2) Results presented for the nine months ended September 30, 2014 are non-GAAP.

Source of Revenues

(\$ in thousands)	Three Months Ended					Nine Months Ended		
	9/30/15	9/30/14	% Change	6/30/15	% Change	9/30/15	9/30/14	% Change
Commissions	\$ 194,083	\$ 167,601	15.8%	\$ 184,866	5.0%	\$ 562,249	\$ 510,070	10.2%
Principal transactions	95,593	94,828	0.8%	86,597	10.4%	281,794	318,312	(11.5%)
<i>Brokerage revenues</i>	289,676	262,429	10.4%	271,463	6.7%	844,043	828,382	1.9%
Capital raising	68,997	67,778	1.8%	95,218	(27.5%)	237,465	220,780	7.6%
Advisory	49,756	50,939	(2.3%)	63,639	(21.8%)	162,837	170,068	(4.3%)
Investment banking	118,753	118,717	0.0%	158,857	(25.2%)	400,302	390,848	2.4%
Asset mgt and service fees	130,636	96,638	35.2%	119,936	8.9%	364,442	280,039	30.1%
Other	18,930	4,803	294.1%	13,742	37.8%	44,471	18,745	137.2%
Total operating revenues	557,995	482,587	15.6%	563,998	(1.1%)	1,653,258	1,518,014	8.9%
Interest revenue	43,376	52,096	(16.7%)	43,851	(1.1%)	129,964	141,035	(7.8%)
Total revenues	601,371	534,683	12.5%	607,849	(1.1%)	1,783,222	1,659,049	7.5%
Interest expense	9,796	11,228	(12.8%)	10,098	(3.0%)	32,914	28,701	14.7%
Net revenues	\$ 591,575	\$ 523,455	13.0%	\$ 597,751	(1.0%)	\$ 1,750,308	\$ 1,630,348	7.4%

Brokerage & Investment Banking Revenues

	Three Months Ended					Nine Months Ended		
	9/30/15	9/30/14	% Change	6/30/15	% Change	9/30/15	9/30/14	% Change
<i>(\$ in thousands)</i>								
Global Wealth Management	\$ 169,319	\$ 157,550	7.5%	\$ 158,803	6.6%	\$ 486,342	\$ 478,389	1.7%
Institutional Group								
Equity brokerage	59,769	57,408	4.1%	60,701	(1.5%)	180,318	182,847	(1.4%)
Fixed income brokerage	60,588	47,471	27.6%	51,959	16.6%	177,383	167,145	6.1%
Total Institutional Group	120,357	104,879	14.8%	112,660	6.8%	357,701	349,992	2.2%
Total brokerage revenues	289,676	262,429	10.4%	271,463	6.7%	844,043	828,381	1.9%
Investment Banking:								
Capital raising								
Equity	36,615	51,726	(29.2%)	53,273	(31.3%)	136,950	169,960	(19.4%)
Fixed income	32,382	16,052	101.7%	41,945	(22.8%)	100,515	50,820	97.8%
Total capital raising	68,997	67,778	1.8%	95,218	(27.5%)	237,465	220,780	7.6%
Advisory fees	49,756	50,939	(2.3%)	63,639	(21.8%)	162,837	170,068	(4.3%)
Total Investment banking	118,753	118,717	0.0%	158,857	(25.2%)	400,302	390,848	2.4%

Non-GAAP Non-Interest Expenses

Three months ended September 30, 2015

(\$ in thousands)	Three Months Ended					% of Net revenues		
	9/30/15 ⁽¹⁾	9/30/14	% Change	6/30/15	% Change	9/30/15 ⁽¹⁾	9/30/14	6/30/15
Net revenues	\$ 591,607	\$ 524,681	12.8%	\$ 597,751	(1.0%)	100.0%	100.0%	100.0%
Compensation and benefits	350,234	297,340	17.8%	345,465	1.4%	59.2%	56.7%	57.8%
Transitional pay ⁽²⁾	21,789	26,853	(18.9%)	24,892	(12.5%)	3.7%	5.1%	4.2%
Total compensation and benefits	372,023	324,193	14.8%	370,357	0.4%	62.9%	61.8%	62.0%
Occupancy and equipment rental	48,492	40,329	20.2%	45,914	5.6%	8.2%	7.7%	7.7%
Communication and office supplies	33,806	27,448	23.2%	30,106	12.3%	5.7%	5.2%	5.0%
Commissions and floor brokerage	11,737	9,971	17.7%	8,551	37.3%	2.0%	1.9%	1.4%
Other operating expenses	53,597	44,863	19.5%	50,028	7.1%	9.0%	8.6%	8.4%
Total non-comp operating expenses	147,632	122,611	20.4%	134,599	9.7%	24.9%	23.4%	22.5%
Total non-interest expense	519,655	446,804	16.3%	504,956	2.9%	87.8%	85.2%	84.5%
Income before income taxes	71,952	77,877	(7.6%)	92,795	(22.5%)	12.2%	14.8%	15.5%
Provision for income taxes	24,247	29,369	(17.4%)	37,704	(35.7%)	4.1%	5.6%	6.3%
Non-GAAP net income	\$ 47,705	\$ 48,508	(1.7%)	\$ 55,091	(13.4%)	8.1%	9.2%	9.2%
Non-GAAP expenses (after-tax)	(30,526)	(8,605)		(34,203)				
GAAP net income	\$ 17,179	\$ 39,903		\$ 20,888				

(1) Excludes adjustments for duplicative items associated with the integration of acquired businesses (merger-related expenses).

(2) Transition pay includes amortization of retention awards, signing bonuses, and upfront notes.

Non-GAAP Non-Interest Expenses

Nine months ended September 30, 2015

<i>(\$ in thousands)</i>	Nine Months Ended			% of Net revenues	
	9/30/15 ⁽¹⁾	9/30/14	% Change	9/30/15 ⁽¹⁾	9/30/14
Net revenues	\$ 1,753,051	\$ 1,634,580	7.2%	100.0%	100.0%
Compensation and benefits	1,027,452	946,973	8.5%	58.6%	58.0%
Transitional pay ⁽²⁾	67,212	75,679	(11.2%)	3.8%	4.6%
Total compensation and benefits	1,094,664	1,022,652	7.0%	62.4%	62.6%
Occupancy and equipment rental	137,565	120,911	13.8%	7.8%	7.4%
Communication and office supplies	92,667	77,949	18.9%	5.3%	4.8%
Commissions and floor brokerage	30,088	28,247	6.5%	1.7%	1.7%
Other operating expenses	152,513	141,243	8.0%	8.7%	8.6%
Total non-comp operating expenses	412,833	368,350	12.1%	23.5%	22.5%
Total non-interest expense	1,507,497	1,391,002	8.4%	85.9%	85.1%
Income before income taxes	245,554	243,578	0.8%	14.1%	14.9%
Provision for income taxes	92,820	94,343	(1.6%)	5.3%	5.8%
Non-GAAP net income	\$ 152,734	\$ 149,235	2.3%	8.8%	9.1%
Non-GAAP expenses (after-tax)	(71,570)	(18,349)			
GAAP net income	\$ 81,164	\$ 130,886			

(1) Excludes adjustments for duplicative items associated with the integration of acquired businesses (merger-related expenses).

(2) Transition pay includes amortization of retention awards, signing bonuses, and upfront notes.

Non-GAAP Segment Comparison

	Three Months Ended					Nine Months Ended		
	9/30/15	9/30/14	% Change	6/30/15	% Change	9/30/15	9/30/14	% Change
<i>(\$ in thousands)</i>								
Net revenues:								
Global Wealth Management	\$ 357,306	\$ 317,241	12.6%	\$ 343,382	4.1%	\$ 1,030,097	\$ 921,671	11.8%
Institutional Group	232,125	215,160	7.9%	258,538	(10.2%)	729,269	720,849	1.2%
Other	2,144	(8,946)	124.0%	(4,169)	(151.4%)	(9,058)	(12,172)	25.6%
	<u>\$ 591,575</u>	<u>\$ 523,455</u>	<u>13.0%</u>	<u>\$ 597,751</u>	<u>(1.0%)</u>	<u>\$ 1,750,308</u>	<u>\$ 1,630,348</u>	<u>7.4%</u>
Operating contribution:								
Global Wealth Management	\$ 97,227	\$ 94,026	3.4%	\$ 93,975	3.5%	\$ 290,049	\$ 262,800	10.4%
Institutional Group	25,853	29,500	(12.4%)	41,942	(38.4%)	100,124	117,812	(15.0%)
Other	(51,128)	(45,649)	(12.0%)	(43,122)	(18.6%)	(144,619)	(137,034)	(5.5%)
	<u>\$ 71,952</u>	<u>\$ 77,877</u>	<u>(7.6%)</u>	<u>\$ 92,795</u>	<u>(22.5%)</u>	<u>\$ 245,554</u>	<u>\$ 243,578</u>	<u>0.8%</u>
As a percentage of net revenues: ⁽¹⁾								
Operating contribution								
Global Wealth Management	27.2	29.6		27.4		28.2	28.5	
Institutional Group	11.1	13.7		16.2		13.7	16.3	
	<u>12.2</u>	<u>14.8</u>		<u>15.5</u>		<u>14.1</u>	<u>14.9</u>	

(1) Excludes the other segment.

Global Wealth Management

(\$ in thousands)	Three Months Ended					Nine Months Ended		
	9/30/15	9/30/14	% Change	6/30/15	% Change	9/30/15	9/30/14	% Change
Commissions	\$ 134,476	\$ 113,177	18.8%	\$ 125,121	7.5%	\$ 375,811	\$ 338,378	11.1%
Principal transactions	34,843	44,373	(21.5%)	33,682	3.4%	110,531	140,011	(21.1%)
Asset management & service fees	129,032	96,354	33.9%	119,734	7.8%	362,432	279,671	29.6%
Net interest	36,326	43,357	(16.3%)	37,454	(3.0%)	111,703	114,458	(2.4%)
Investment banking	10,146	13,488	(24.8%)	15,128	(32.9%)	35,374	35,752	(1.1%)
Other income	12,483	6,492	92.3%	12,263	1.7%	34,246	13,401	155.5%
Net revenues	357,306	317,241	12.6%	343,382	4.1%	1,030,097	921,671	11.8%
Compensation and benefits	203,959	177,296	15.0%	196,234	3.9%	583,436	523,188	11.5%
Non-comp operating expenses	56,120	45,919	22.2%	53,173	5.5%	156,612	135,683	15.4%
Total non-interest expenses	260,079	223,215	16.5%	249,407	4.3%	740,048	658,871	12.3%
Income before income taxes	\$ 97,227	\$ 94,026	3.4%	\$ 93,975	3.5%	\$ 290,049	\$ 262,800	10.4%
<i>Ratios to net revenues:</i>								
Compensation and benefits	57.1%	55.9%		57.1%		56.6%	56.8%	
Non-comp operating expenses	15.7%	14.5%		15.5%		15.2%	14.7%	
Income before income taxes	27.2%	29.6%		27.4%		28.2%	28.5%	

Stifel Bank & Trust

(an operating unit of GWM)

	As of 9/30/15		As of 9/30/14		As of 6/30/15		% Change	
	Actual (\$)	Yield (%)	Actual (\$)	Yield (%)	Actual (\$)	Yield (%)	Q315 v Q314	Q315 v Q215
Assets								
Cash	\$ 22,173	0.26	\$ 142,444	0.39	\$ 116,387	0.19	(84.4)	(80.9)
Investment securities ⁽¹⁾	1,749,590	2.30	2,720,860	2.39	1,907,282	2.26	(35.7)	(8.3)
Bank loans ⁽²⁾	2,706,074	2.99	1,988,076	4.82	2,626,508	3.11	36.1	3.0
Total interest earning assets	4,477,837	2.68	4,851,380	2.73	4,650,177	2.68	(7.7)	(3.7)
Other assets (non-interest earning)	141,256		125,814		136,071		12.3	3.8
Total assets	\$ 4,619,093		\$ 4,977,194		\$ 4,786,248		(7.2)	(3.5)
Liabilities								
Deposits	\$ 4,116,814	0.16	\$ 4,552,522	0.15	\$ 4,313,940	0.17	(9.6)	(4.6)
Other liabilities (non-interest bearing)	145,382		18,728		58,553		676.3	148.3
Total liabilities	\$ 4,262,196		\$ 4,571,250		\$ 4,372,493		(6.8)	(2.5)
Net interest margin		2.53		3.10		2.52		
Allowance for loan losses	\$ 27,707		\$ 18,996		\$ 23,923		45.9	15.8
Allowance as a percentage of loans	1.13 %		1.18 %		0.98 %			
Non-performing assets as a percentage of total assets	0.03 %		0.07 %		0.13 %			

Note: Actual amounts presented above are as of period-end and yields are based off of quarter-to-date averages.

(1) Investment securities includes available-for-sale and held-to-maturity securities.

(2) Includes loans held for sale.

(3) Figures include intercompany balances.

STIFEL

Institutional Group

	Three Months Ended					Nine Months Ended		
	9/30/15	9/30/14	% Change	6/30/15	% Change	9/30/15	9/30/14	% Change
<i>(\$ in thousands)</i>								
Net revenues	\$ 232,125	\$ 215,160	7.9%	\$ 258,538	(10.2%)	\$ 729,269	\$ 720,849	1.2%
Compensation and benefits	143,911	131,589	9.4%	160,077	(10.1%)	453,399	443,104	2.3%
Non-comp operating expenses	62,361	54,071	15.3%	56,519	10.3%	175,746	159,933	9.9%
Total non-interest expenses	206,272	185,660	11.1%	216,596	(4.8%)	629,145	603,037	4.3%
Income before income taxes	\$ 25,853	\$ 29,500	(12.4%)	\$ 41,942	(38.4%)	\$ 100,124	\$ 117,812	(15.0%)
<i>Ratios to net revenues :</i>								
Compensation and benefits	62.0%	61.2%		61.9%		62.2%	61.5%	
Non-comp operating expenses	26.9%	25.1%		21.9%		24.1%	22.2%	
Income before income taxes	11.1%	13.7%		16.2%		13.7%	16.3%	



Acquisition Updates

Sterne Agee Integration Update

Updated Economic Investment

Purchase Price	150.0
Income Statement Expense	
Retention	58.3
Restructuring one time	25.0
Duplicative Corporate Overhead	60.5
	<hr/>
	143.8
Tax Adjustment	(57.5)
Less: Estimated TBV at close	(40.0)
	<hr/>
Economic Investment	196.3

Highlights

- Fixed Income integration complete
- Private Client conversion and integration complete
- Trust Company integration and Asset Management migration to 1919 Investment Counsel well under way
- Successful cross selling with other Stifel divisions
- Issued 1.4 million shares of Stifel common stock

Barclays Update

October 30, 2015

Advisors & AUM

- 95 - 105 advisors
- \$25B in AUM

Balance Sheet

- Approximately \$1.2 billion of on-balance sheet assets
- Approximately \$900 million of client loans held through Barclays clearing firm
- Approximately \$2.0 billion of client cash

Revenue¹

- \$210 - \$230 million

Pre-tax Margins

- 20% - 25%, after amortization of retention
- Approximately \$40 - \$60 million

Shares Issued

- Approximately 1.3 million (net of taxes)

Closing

- December 4, 2015

STIFEL

(1) Based on April 2015 trailing twelve month production.

Non-GAAP Deal Integration Costs

(\$ in thousands)	Three months ended						
	6/30/2015	9/30/15		Estimate			
	Actual	Actual	Estimate	12/31/15	3/31/16	6/30/16	9/30/16
Existing acquisitions							
Sterne Agee - Stock-based compensation	-	1,000	1,000	-	-	-	-
Sterne Agee - Employee notes	-	10,000	-	-	-	-	-
Sterne Agee - Deal-related expenses	45,750	28,014	23,000	20,236	18,000	3,000	-
Cummulative Sterne Agee	45,750	84,764		105,000	123,000	126,000	126,000
Barclays - Stock-based compensation	-	-	-	37,500	37,500	-	-
Sterne Agee - Deal-related expenses/duplication	-	1,200	-	5,000	10,000	-	-
Cummulative Barclays	-	1,200	-	43,700	91,200	91,200	91,200
Duplicative operating expenses:							
De La Rosa & Co., Inc.		206	120	-	-	-	-
Keefe, Bruyette & Woods, Inc.		177	-	-	-	-	-
Knight Fixed Income		4,203	2,600	2,600	2,600	-	-
1919 Investment Counsel		277	200	200	-	-	-
Miller Buckfire & Co., LLC		1,132	-	-	-	-	-
Oriel Securities Holding Limited		1,470	500	750	750	750	750
Ziegler Capital Management		34	-	-	-	-	-
Merchant Capital		146	-	-	-	-	-
Intangible amortization		1,745	2,200	2,200	2,200	2,200	2,200
Total Deal Costs (pre-tax)		49,604	29,620	68,486	71,050	5,950	2,950
Total Deal Costs (after-tax) (1)		\$ 30,526	\$ 18,372	\$ 41,092	\$ 42,630	\$ 3,570	\$ 1,770

(1) Assumes an effective income tax rate of 40.0%.



Financial Condition

Capital Structure

(in thousands, except ratios)

(\$ in thousands)	As of		As of
	9/30/15	9/30/14	6/30/15
Total Assets	\$ 9,359,179	\$ 9,326,117	\$10,139,542
Stockholders' Equity	2,493,090	2,238,549	2,520,251
4.250% senior notes, due 2024	\$ 300,000	\$ 300,000	\$ 300,000
5.375% senior notes, due 2022	150,000	150,000	150,000
6.70% senior notes, due 2022	-	175,000	-
Debentures to Stifel Financial Capital Trusts II, III, & IV	82,500	82,500	82,500
Total Capitalization	\$ 3,025,590	\$ 2,946,049	\$ 3,052,751
Ratios:			
Debt to Equity ⁽¹⁾	21.4%	31.6%	21.1%
Tier 1 Leverage Ratio	16.4%	16.0%	18.3%
Tier 1 Risk Based Capital Ratio	29.4%	27.9%	29.4%

(1) Debt to equity ratio includes the debentures to Stifel Financial Capital Trusts and Senior Notes divided by stockholders' equity.

Other Financial Data

	As of			As of		
	9/30/15	9/30/14	% Change	6/30/15	% Change	
Total assets (000s):						
Stifel Nicolaus & Stifel Financial	\$ 4,740,086	\$ 4,348,923	9.0%	\$ 5,353,294	(11.5%)	
Stifel Bank	4,619,093	4,977,194	(7.2%)	4,786,248	(3.5%)	
Total assets	9,359,179	\$ 9,326,117	0.4%	10,139,542	(7.7%)	
Total shareholders' equity (000s):						
Stifel Nicolaus & Stifel Financial	\$ 2,136,193	\$ 1,849,227	15.5%	\$ 2,106,497	1.4%	
Stifel Bank	356,897	389,322	(8.3%)	413,754	(13.7%)	
Total shareholders' equity	2,493,090	\$ 2,238,549	11.4%	2,520,251	(1.1%)	
Leverage ratio:						
Stifel Nicolaus & Stifel Financial	1.8	1.7	3.5%	2.0	(12.4%)	
Stifel Bank	12.9	12.8	1.2%	11.6	11.9%	
Total leverage ratio	3.1	3.2	(3.1%)	3.3	(6.9%)	
Book value per share	\$ 36.63	\$ 33.92	8.0%	\$ 36.35	0.8%	
Financial advisors ⁽¹⁾	2,846	2,096	35.8%	2,823	0.8%	
Full-time associates ⁽²⁾	6,865	5,944	15.5%	6,819	0.7%	
Locations	391	360	8.6%	398	(1.8%)	
Total client assets (000s)	\$ 208,085,000	\$ 172,742,000	20.5%	\$ 208,628,000	(0.3%)	

(1) Includes 755, 139, and 736 independent contractors as of September 30, 2015, September 30, 2014, and June 30, 2015, respectively.

(2) Excludes independent contractors.



Financial Performance Trends

Key Financial Targets

Stifel is Positioned to Significantly Benefit From 3 Key Factors

1. Integrating Acquisitions: Sterne Agee and Barclays
2. Optimizing Current Capital Base, and
3. Poised for Revenue Growth in a Rising Interest Rate Environment

Key Performance Indicator	2014	YTD 2015	3Q 2015 Actual	Target	Optimized Level
Pre-Tax Margins as a % of net revenues	15.2%	14.0%	12.2%	15.0%	15-19%
Compensation Expense as a % of net revenues	62.3%	62.4%	62.9%	62-64%	59-62%
Return on Average Tangible Equity	15.3%	14.8%	12.2%	18%	20-22%
Return on Average Equity	9.6%	8.5%	7.6%	15%	15%

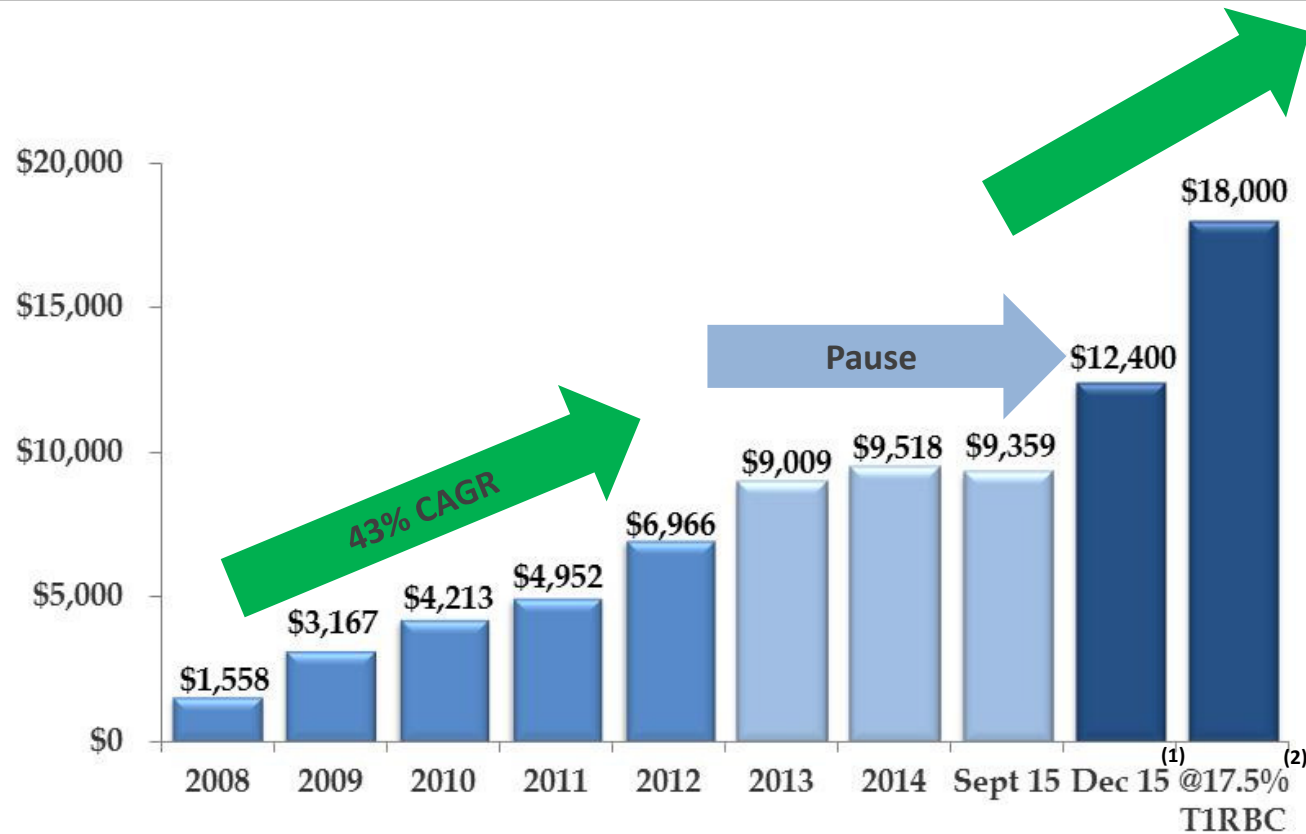


Growth Drivers

Optimizing Capital Through Growth

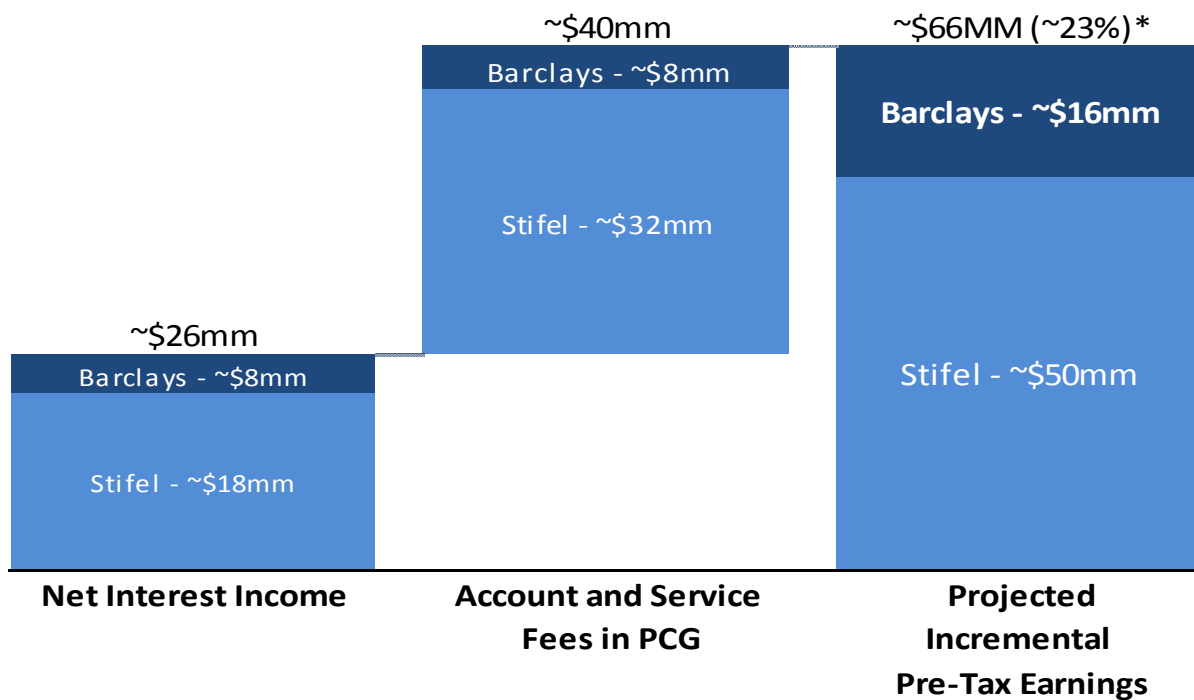
(\$ in millions)

Stifel has resumed growth and has the potential to further leverage existing capital base



Impact of a Rising Interest Rate Environment

Projected Increase in Annual Pre-Tax Earnings from a 100 BPS Rise in Short-Term Rates
(\$ millions; as of September 30, 2015)



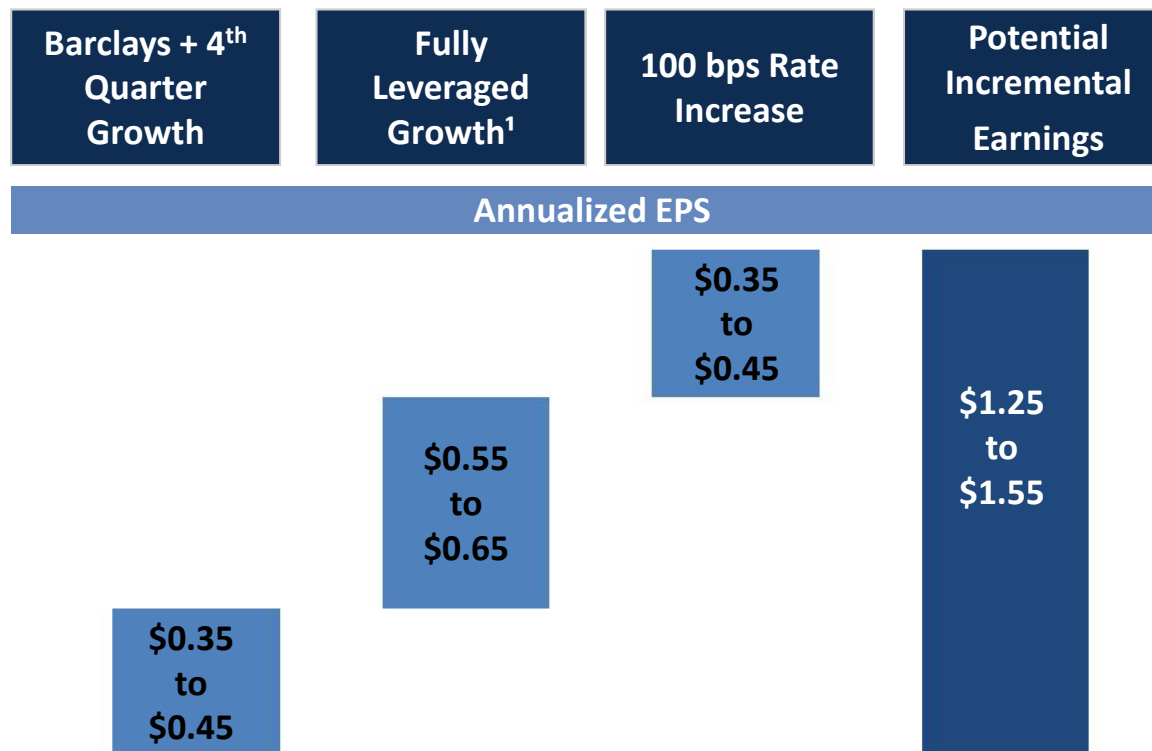
*: % based upon 3Q'15 annualized non-GAAP results.

Key Assumptions:

- Based on static balances as of September 30, 2015 and an instantaneous change in short-term rates.
- Ultimately, the amount earned by clients and kept by the firm will be based on market/competitive pricing, etc.
- The firm is expected to retain 40 bps of the first 100 bps increase on Stifel and Barclays deposits and pass the remaining 60 bps to clients
- Barclays loan and client cash balances estimated as of September 2015.

Operating Model Potential

Stifel is Positioned to Significantly Benefit From 3 Key Factors





Q & A